As used in Sections 4400-4450, inclusive, of these regulations:

- (ee) "Frontline worker" means an individual who <u>directly produces or delivers goods</u> or services, in accordance with the following standards meets one of the following criteria:
 - (1) An individual who is not exempt from payment of overtime compensation under state or federal law is a frontline worker, providing he or she directly produces or delivers goods or services.
 - (2) An individual who is covered by a collective bargaining agreement, is deemed a frontline worker, providing he or she directly produces or delivers goods or services.
 - (3) An individual who is exempt from payment of overtime compensation under state or federal law and not covered by a collective bargaining agreement, if his or her primary job responsibility is directly producing or delivering goods or services may be a frontline worker.

The Panel will make a determination of exempt status on a case-by-case basis and at its sole discretion under Subsections (1) and (3) above. In so doing, the Panel will follow the standards for determining exempt status set forth in Labor Code Sections 515, 515.5, and 516 and the Wage Orders of the Industrial Welfare Commission. The Panel will also consult applicable state and federal wage and hour law guidelines published by the Division of Labor Standards Enforcement under the Department of Industrial Relations. (See DLSE Enforcement Manual at www.dir.ca.gov.)

(4) For purposes of Special Employment Training projects, a frontline worker may also be the owner (a) of a business with at least 1, but less than 10 full-time employees, and (b) whose primary duties consists of directly producing or delivering goods or services.

For purposes of Special Employment Training projects a frontline worker may also be the owner of a business with at least one but less than 10 full-time employees, whose primary duties consist of directly producing or delivering goods or services.

Authority: Section 10205(m), Unemployment Insurance Code.

Reference: Sections $10200(\underline{a})$, 10201(c), (f), (g), (h), (i), (l), 10202, 10202.5, 10203, 10204(b), 10205, 10206(a)(1)(C), (a)(2), (3), 10207(a), 10209(a), (b), (d), (e), (f), (g), 10210(a), 10211, 10212.2(a), (b), 10213, 10213.5(b), 10205(b)(4), 10214.5(a), Unemployment Insurance Code; Sections 515, 515.5 and 516, Labor Code.

4407. Small Business Projects.

- (a) To further enhance its coordination efforts the Panel may, for the purposes of serving the needs of small businesses, delegate its authority to approve new hire training projects in an amount not to exceed \$50,000 to Private Industry Councils. Prior to delegating this authority the Panel shall determine that the entity to which it is delegating authority meets the following criteria:
 - (1) has a satisfactory record of past performance in the placement and retention of former trainees and employer satisfaction with the former trainees;
 - (2) can demonstrate labor market demand for the proposed new hire training;
 - (3) can demonstrate that the training prepares trainees in a manner satisfactory to employers;
 - (4) can demonstrate that the cost per trainee complies with previously approved training costs funded by the Panel for similar occupations or in like industry; and,
 - (5) can demonstrate that it has adequate controls to verify the accuracy and reliability of accounting data, promote operating efficiency, and assure compliance with government requirements and generally accepted accounting principles.

Authority: 10205(I), Unemployment Insurance Code. Reference: 10200, 10204(b), 10210, 10212(d), 10213.5(b) Unemployment Insurance Code.

Effective: April 12, 1996 Amended: July 19, 1996

Revisions: January 8, 2001 (amended as emergency regulation); May 8, 2001 (emergency regulation repealed-text reverts to prior language)

4425. Structured On-Site Training.

- (a) Structured, on-site training (SOST) shall provide for the acquisition of skills on-the-job.
- (1) When included in a training program, SOST shall follow classroom and/or laboratory instruction.
- (2) SOST shall be supervised by an individual with a demonstrated competency in the subject area, who is not simultaneously enrolled in the same training group.
- (3) SOST shall follow a planned methodology for the delivery of job tasks and specify the minimum competencies to be gained.
- (A) The contractor shall identify the minimum competencies necessary to perform the job and develop the curricula that identifies the tasks and duties to be trained.
- (B) The contractor shall develop a SOST monitoring plan detailing how the SOST training provider will monitor the trainee's progress by observing, assessing and documenting the completion of each task.
- (b) No funding shall be authorized for SOST hours under a literacy training program.
- (c) The Panel shall reimburse SOST as follows:
- (1) Frontline workers: Two (2) hours of SOST for every hour of classroom/laboratory training, except for training in Sales Techniques and Customer Service training which shall be limited to one (1) hour of SOST for each hour of classroom/laboratory training.
- (2) Managers/Supervisors: One (1) hour of SOST for each hour of classroom/laboratory training. This limitation for managers/supervisors does not include a line supervisor with direct supervisory responsibility for frontline workers if that line supervisor is being trained in front line skills.

The ratios specified in paragraphs (1) and (2) above shall be applied to the total number of training hours per trainee according to the type of training. The Panel may authorize curricula that varies from the prescribed ratios upon presentation of written justification from the contractor during contract development.

Authority: Section 10205(c), Unemployment Insurance Code. Reference: Sections 10201(I), (j), and 10209(b), Unemployment Insurance Code.

Effective: December 1, 1995

4441.5 Training Schedule.

- (a) A training schedule acceptable to the Panel shall be in place at the start of training. The training schedule shall include both a detailed roll out schedule for at least the first six months of training by types of training and job groups, and a summary roll out schedule for the remainder of the term of the Agreement.
- (b) The training schedule must be maintained current and updated periodically, subject to review and approval of the monitoring analyst. The contractor shall notify the Panel of any significant changes in the training schedule prior to implementation of those changes.

Authority: Section 10205(I), Unemployment Insurance Code. Reference: Section 10205(c), Unemployment Insurance Code.

Effective: May 18, 1998